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Progress Through Partnership

Medicaid
Medicare
Management Institute

HEALTH CARE FINANCING ADMINISTRATION October, 1980 Issue # 1

MEDICAID MEDICARE EXCHANGE

SECRETARY HARRIS ANNOUNCES PROGRAM SAVINGS

"Management improvements in HHS have resulted in more effective programs and in more than $1.75 billion of savings," announced HHS Secretary Patricia Roberts Harris in late October. Describing specific management improvements, she cited several HCFA programs where effective management produced significant savings.

. State and Federal investigations resulted in identification of Federal Medicare and Medicaid overpayments. The Federal share of savings totaled $23.8 million for FY 79 ($14.4 million from Medicaid State agencies and $9.3 million from Medicare) and $11.72 million for the first quarter of FY 80.

. State Medicaid agencies identified other parties who were responsible for payment of health claims before Medicaid assumed responsibility and increased the amount collected from those parties liable for medical expenses. The FY 79 savings were $90.6 million, $11 million in collections and $79.6 million in cost avoidance.

. The new Medicaid Management Information System in selected States resulted in a higher rejection rate of inappropriate Medicaid claims. Total FY savings were $151.1 million.

. HCFA saved $8.7 million during FY 79 by reducing the overpayment error rate for 14 of 19 Medicare carriers identified as having high error rates during the FY 78 base period.

. HCFA collected $2.1 million from overpayments identified prior to FY 79. Total HCFA savings from these and other areas were $539.8 million.

Secretary Harris pointed out "that less than two thirds of one percent of the total HHS budget is lost to fraud on the part of program recipients." Instead, she said, "those we pay to help those in need are the primary cause of loss from fraud and program misuse."

Increased Federal funding has resulted in development of Medicaid Fraud Control Units operating in 30 States, covering 80 percent of the nation's total Medicaid expenditures. Payments to ineligible Medicaid recipients were reduced to 4.9 percent by September 1979 from 6.2 percent a year earlier.

The Secretary concluded: "These savings and improvements in our operating efficiency have occurred because we have pursued better management aggressively and because our top managers have been committed to a stronger and more effective department."

FOCUS: MEDICARE NEWS

MEDICARE CONSULTATIVE ACTIVITIES

by Paul Beller

Beginning with this issue of the Medicaid Medicare Exchange, a regular column will be written discussing the significant activities of Medicare carriers and intermediaries within the consultative process. This will include highlights of meetings, conferences, technical advisory groups and significant actions that are to be taken as a result of these communications between HCFA and the Medicare contractors. Questions concerning items in this column can be directed to Paul Beller, M/MMI, 301-594-9455, FTS 8-934-9455.

FISCAL INTERMEDIARY GROUP MEETING SEPTEMBER 9-10

The Fiscal Intermediary Group (FIG) met for a 1 1/2 day meeting September 9-10. The meeting was highlighted by two staff paper presentations by the FIG. One was a review and discussion of the intermediaries' first year experience with the Part A performance standards and criteria. The other paper dealt with significant intermediary problems and recommendations regarding their audit function within the Medicare program.

Significant actions resulting from the meeting included:

1. The FIG request that problems identified with the Cost Report Evaluation Program (CREP) be addressed by HCFA senior staff and the Provider Reimbursement and Audit Technical Advisory Group (TAG). This request is being implemented.

2. The FIG request on HCFA review of the performance standards and criteria in light of their findings and recommendations. This

CARRIER REPRESENTATIVE GROUP MEETING OCTOBER 2

The Fall meeting of the Carrier Representative Group (CRG) included significant dialogue in the areas of the carrier/PSRO relationship, the ranking of carriers in evaluation of performance, an update on the Medicare contracting strategy and a review of the reorganization of the HCFA regional offices. Major action items resulting from the meeting included:

1. A need to strengthen the Carrier Technical Advisory Group (TAG) structure.

2. Further consultation between HCFA and the Medicare contractors in planning the Second Annual Medicare Contractors' Conference. This conference will be held in Cincinnati, Ohio on March 3-4, 1981.

3. The CRG request that the Carrier Performance Standards and Evaluation Technical Advisory Group be involved in the development of carrier ranking criteria. The ranking system for Medicare

Continued on page 4

MMACS

A booklet on the Medicare/Medicaid Automated Certification System (MMACS) - A National Health Care Data Resource, was published by the Health Care Financing Administration (HCFA) this summer. The booklet highlights various MMACS data outputs, gives examples of special data, and explains the continuing study and analysis of management issues and concerns utilizing MMACS data resources. Presented in the booklet are actual and sample tables. Techniques for analyses are illustrated in the publication, to increase understanding of the Medicare/Medicaid facility certification program.

MMACS was designed and implemented during the 1970's, to meet the demand for a centralized data resource on Medicare/Medicaid institutions. MMACS certification data is derived from facility survey report forms, the provider application and related certification documents - statement of deficiencies, plan of correction, etc. This data is entered into the system by regional office staff and transmitted electronically to the central computer installation in Baltimore. The tables and listings routinely produced by the system provide the Health Standards and Quality Bureau (HSQB) in HCFA, regional components, and State survey agencies with essential information on the ongoing management of the Medicare/Medicaid certification process. Information provided is on quality, quantity, and availability of health care related services in the United States.

Requests for both MMACS data resource capabilities and the booklet will be honored by HCFA at no cost. Requests can be directed to: Chief, Data Management Branch, Health Care Financing Administration, Health Standards and Quality Bureau, 1849 Gwynn Oak Avenue, Mail Stop 2-E-1, Dogwood East Building, Baltimore, Maryland 21207, or by calling 301-594-7920, FTS 8-934-7920.

HCFA DATA CATALOG

The Bureau of Quality Control's Office of Financial Analysis (OFA) recently published and distributed a data catalog. The catalog indexes and describes HCFA's data resources with respect to program data. OFA felt a need to inform HCFA employees on the many sources of data, types of information, and statistical tools available.

The catalog is a spinoff of OFA's efforts to inventory available data sources for purposes of its own operations. There was no single reference to the large number of HCFA's data bases which are interrelated and overlapping, but organizationally and structurally independent.

The catalog deals primarily with program data, and includes volume and dollars directly related to the payment of program benefits or to implementation requirements (e.g., provider certification and PSRO requirements). The catalog does not include administrative cost and volume data (Medicaid cost per claim data, operating budget data etc.). Administrative data were not included because the user components were already familiar with it. Program data tends to be produced by service organizations; therefore, potential users frequently are not familiar with all existing sources which could assist them in their jobs.

The data sources are arrayed within each major program or operational segment (Medicare, Medicaid, PSRO, and standards and certification). For further information contact John Romaine, 301-597-1370, FTS 8-937-1370.

Trainers...Take Note!

A new videocassette, Medicare/Medicaid, Which is Which, is on its way! This excellent training tool presents the basic similarities and differences between Medicare and Medicaid. It was produced by the Medicaid/Medicare Management Institute in conjunction with the Social Security Administration. It is designed for use by claims personnel in all Social Security field offices and by Medicare contractors. Medicaid State agencies and Medicaid fiscal agents will also find this to be an effective training tool. For that matter, any audience interested in the program, or involved in the administration of Medicare or Medicaid, would find this a practical tool to use in training new staff.

This 14 minute audiovisual comes complete with a discussion leader's guide and will be available in both 3/4" videocassette and 16mm film. It will be ready for distribution in late November, 1980. Please contact the HCFA regional office to request this training tool. If you have any questions regarding this audiovisual, please contact Joseph Boston, M/MMI, 301-594-8648, FTS 8-934-8648.

Susan Eberhard

FIG Meeting - continued

will involve the Part A Performance Standards and Evaluation Technical Advisory Group. This request is also receiving HCFA's attention and a status will be given in the next review of Medicare Consultative Activities.

3. A request for high level HCFA staff evaluation of HCFA's requirements for audit, and a response by HCFA on the points raised by the FIG in the staff paper presentations. This area is receiving high level HCFA staff attention and a status report will be given in the next issue.

Howard N. Newman, HCFA Administrator, addressed the FIG on the second day. He emphasized his commitment to strengthening the consultative process between HCFA and the Medicare contractors.

CRG Meeting - continued

intermediaries will be discussed at a Technical Advisory Group meeting scheduled for December 11-12, 1980, in Baltimore. Carrier representatives will attend this meeting since the ranking system developed may be similar for carriers.

The results of these action items will be reviewed in the next highlight of Medicare Consultative Activities. The next meeting of the Carrier Representative Group is scheduled for January 15, 1981, in Baltimore.

Personnel

HCFA CENTRAL OFFICE CHANGES

Office of Coverage Policy
Dr. Donald Young, Deputy Director

Office of Management and Budget
Kevin Sexton, Acting Director
(replacing Howard Phanstiel)

Office of Executive Operations
Gale Held, Acting Director

Office of Public Affairs
Barney Sellers, Acting Director
(Also the Director, Office of Beneficiary Services)

Bureau of Program Operations
Tera Younger, Acting Deputy Director

HCFA REGIONAL OFFICE CHANGE

Region II, New York, New York
Jacqueline G. Wilson, Deputy Regional Administrator

Region IX, San Francisco, California
John L. O'Hara, Jr., Acting Medicare Director

MEDICAID

New Single State Agency Heads

Marlin W. Johnston - Texas
Y. K. Sunn Franklin - Hawaii

New Medical Assistance Unit Directors

Charles M. Daly - Florida
James B. Gooding - Kentucky
Richard A. Chevrefils - New Hampshire

MEDICARE

Intermediary Carrier Directory Update

The following names were misspelled in the Medicaid/Medicare Exchange issue #5, page 6.

Blue Cross of Florida

Nathan Oplinger, Vice President, Medicare A & B
Tony Favino, Director, Medicare A

REGULATION

Following are recent HCFA regulations of interest to Medicaid and Medicare program managers. Questions may be directed to the contact persons listed with each regulation.

Medicare Program; Schedule of Limits on HHA's Cost per Visit - Correction Notice
8/18/80 Federal Register
Contact: Alton Cobb, 301-594-9773

Medicare Program; Schedule of Guidelines for Respiratory Therapy Services - Correction Notice
8/25/80 Federal Register
Contact: Alton Cobb, 301-594-9773

Medicare Program; Cost Reporting Requirements for Home Health Agencies - Final Rule
8/27/80 Federal Register - Effective 10/1/80
Contact: Fred Koenig, 301-594-8612

Medicare Program; Ambulance Services Under Medicare - Proposed Regulation
8/27/80 Federal Register
Contact: Henry Hehir, 301-594-8561

Medicare Program; Entitlement of Medicare Benefits Based on Disability Entitlement - Regulation Proposal
8/29/80 Federal Register
Contact: Harold Fishman, 301-594-9077

Medicaid and Medicare Programs - Extension of Time Period for End-Stage Renal Disease (ESRD) Facilities to Achieve Conditional Status - Final with Comment Period
9/2/80 Federal Register - Effective 1/1/80
Contact: Janet Harryman, 301-594-9736

Medicaid and Medicare Programs; Maximum Allowable Cost (MAC) Program - Intent to Set MAC Limits - Notice
9/3/80 Federal Register
Contact: Charles Spalding, 301-594-5403

Medicare Program; Schedule of Limits on Skilled Nursing Facilities - Final Notice
9/4/80 Federal Register - Effective 10/1/80
Contact: Carl Slutter, 301-594-9344

Medicare Program; Reimbursement for Costs of Approved Internship and Residency Programs - Correction Notice
9/8/80 Federal Register
Contact: William Goeller, 301-597-1802

Medicaid and Medicare Programs; Reimbursement for Services Furnished by Rural Health Clinic - Proposed Regulation
9/10/80 Federal Register
Contact: Bernadette Schumaker, 301-597-1048

Medicare Program; Conditions of Participation for Skilled Nursing and Intermediate Care Facilities; Extension on Comment Period - Proposed Regulation
9/15/80 Federal Register
Contact: Richard Lenehan, 301-594-7651

Medicaid and Medicare Programs; Pharmaceutical Reimbursement Board; Intent to Set MAC Limits - Correction Notice
9/19/80 Federal Register - Effective 9/19/80
Contact: Joel Schaer, 301-594-9635

Medicare Program; Incentive Reimbursement for Outpatient Dialysis and Self-Care Dialysis Training - Proposed Regulation
9/26/80 Federal Register
Contact: Bernadette Schumaker, 301-597-1048

Medicaid and Medicare Programs - Protection of Patients' Funds (Stay of Effective Date) - Final Regulation
10/1/80 Federal Register
Contact: Janice Caldwell, 301-594-3642

Medicare Program; Inpatient Hospital Deductible for 1981 - Notice
10/1/80 Federal Register - Effective 1/1/81
Contact: Guy King, 301-594-2826

Medicare Program; Intermediaries: Nominations, Contracts, and Evaluations - Correction Notice
10/1/80 Federal Register - Effective 6/23/80
Contact: Irv Robinson, 301-594-8003

Medicaid and Medicare Programs - Financing of PSRO Hospital Review Activities - Final Regulation
10/10/80 Federal Register - Effective 11/9/80
Contact: Martha Pouderoyen, 301-594-1322

RELOCATION OF OSPE

Bureau of Program Operations' Office of Standards and Performance Evaluation (OSPE) relocated to the first floor of the Meadows East Building the week of October 19, 1980. The majority of OSPE's telephone numbers did not change. OSPE's new address is:

Department of Health and Human Services
Health Care Financing Administration
Bureau of Program Operations
Office of Standards and Performance Evaluation
Meadows East Building, 1st Floor
6300 Security Boulevard
Baltimore, Maryland 21207

Legislative Ledger

On September 4, the House Appropriations Committee passed the Omnibus Budget Reconciliation bill, H.R. 7765, which contains $985 million in Medicare and Medicaid cuts from savings provisions contained in H.R. 3990 and H.R. 4000. Also contained in H.R. 7765 are cost items of those two bills, but the implementation dates of those provisions will be delayed until late in fiscal year 1981 to minimize their budgetary impact. A House/Senate conference committee of more than 100 members of Congress began meeting on September 18 to settle on a compromise reconciliation bill (the Senate passed its version, S. 2885, in June). A sub-conference on health issues has agreed on a number of provisions, although many of the most controversial differences in the bills remain to be considered after the election recess.

The House has not passed H.R. 7998, the fiscal year 1981 Labor, HHS, and Education Appropriations bill, but has approved H.J. Resolution 610. This bill provides temporary appropriations through December 15 for agencies funded by the 12 regular appropriations bills that had not been enacted by October 1 (the beginning of FY 1981). The continuing resolution contains the language of current law limiting Federal funding of abortions under Medicaid, but requires that rape must be reported to authorities within 72 hours to qualify for reimbursement (current law allows up to 60 days). Congress will continue work on H.R. 7998 when they return on November 12.

The House and Senate approved the Mental Health Systems Act, S. 1177, and President Carter signed the bill into law on October 7, 1980 (Public Law 96-398). The new law contains a provision mandating that all States (except small States with efficient manual systems) have operational MMIS systems by September 30, 1982 or begin losing the Federal share of their Medicaid program administrative costs.

For further information on these or other HCFA legislative issues, call Richard Chambers, HCFA's Legislative Reference Office, 202-426-3717.

MMMI EVENTS

Third Party Liability Workshops

October 29-30, 1980	Albany, New York
November 19-20, 1980	Nashville, Tennessee
January 7-8, 1981	St. Louis, Missouri
January 20-21, 1981	Salt Lake City, Utah

Contact: Du Va Clyburn
301-594-8648
FTS 934-8648

Mid-Year State Medicaid Directors' Conference
December 2-3, 1980 San Antonio, Texas

Contact: Ed Palder
301-594-8940
FTS 934-8940

Carrier Representative Group Meeting
January 15, 1981 Baltimore, Maryland

Contact: Paul Beller
301-594-9523
FTS 934-9523

Medicare Contractors' Conference
March 3-4, 1981 Cincinnati, Ohio

Contact: Paul Beller
301-594-9523
FTS 934-9523

Annual State Medicaid Directors' Conference
April 12-16, 1981 Philadelphia, Pennsylvania

Contact: Ed Palder
301-594-8940
FTS 934-8940

Some other M/MMI programs are planned for the upcoming year but the dates and locations are not yet finalized. They include EPSDT workshops and a series of PSRO workshops.

These Action Transmittals have been issued by HCFA in September and October. States desiring copies may order them by calling 301-594-5519.

AT-80-60 Correction
Title XIX Social Security Act: Revision of Complete Text of Preprinted State Plan (refer to HCFA AT-80-38, May 22, 1980, Revision of Complete Text of Preprinted State Plan)

AT-80-61 Titles XVIII and XIX, Social Security Act: Protection of Patients' Funds (refer to 42 CFR Parts 405, 442 and 447)

AT-80-62 Title XIX, Social Security Act: Preprinted State Plan Amendment on Protection of Patients' Funds (refer to 42 CFR Parts 442 and 447; HCFA AT-80-61, August 1980)

AT-80-63 Update to Medicaid Quality Control Manual dated February 1978 (refer to 42 CFR 431.800 and Medicaid Quality Control (MQC) Manual, Chapters 3400 and 3500)

AT-80-64 Title XIX, Social Security Act: Reimbursement for Costs of Approved Internship and Residency Programs (refer to 42 CFR Part 405)

AT-80-65 Monthly Report of Physicians/Practitioners, Providers, and/or Other Suppliers of Health Care Services Suspended, Excluded, Terminated, Reinstated, or Where Effectuated Sanction was Withdrawn (refer to Sections 506(f)(2), 1862(d), 1862(e), 1866, 1902(a)(39), and 1903(i)(2) of the Social Security Act)

AT-80-66 Instruction
Clarification of Medicaid Quality Control (MQC) Review Schedule Coding and Addition of Corresponding Edit

AT-80-67 Clarification of Medicaid Quality Control (MQC) Review Completion and Reporting Deadlines (refer to MQC Manual, Chapter 3100 and 42 CFR 431.800)

AT-80-68 Title XIX, Social Security Act, Section 1903(g): Utilization Control (UC) - Certification and Recertification Requirements

AT-80-69 Instruction
Completing the Medicaid Quality Control (MQC) Review Schedule (refer to 42 CFR 431.800 and MQC Manual, Section 3000)

AT-80-70 Providing Medicare Claims Information to Title XIX Agencies

AT-80-71 Monthly Report of Physicians/Practitioners, Providers, and/or Other Suppliers of Health Care Services Suspended, Excluded, Terminated, Reinstated, or Where Effectuated Sanction was Withdrawn (refer to Sections 506(f)(2), 1862(d), 1862(e), 1866, 1902(a)(39), and 1903(i)(2) of the Social Security Act)

AT-80-72 Program Validation Reviews (refer to Section 1902(a)(27) of the Social Security Act and 42 CFR 431.107)

TRANSMITTALS

AT-80-73 Title XVIII, Social Security Act: Medicare Program; Schedule of Limits on Skilled Nursing Facility Inpatient Routine Service Costs (refer to 42 CFR 405.460)

AT-80-74 Social Security Administration Rules: Pass Along of Federal Supplemental Security Income Benefit Cost-of-Living Increases to Recipients of State Supplementary Payments; Limitations of State Costs for Hold-Harmless States (refer to 20 CFR Part 416)

AT-80-75 Title XIX, Social Security Act: Federal Percentages and Federal Medical Assistance Percentages for Federal Fiscal Years 1982 and 1983

AT-80-76 Title XIX, Social Security Act: Preprinted State Plan Amendment on Notice to HCFA When a Provider is Terminated, Suspended, Sanctioned, or Otherwise Excluded from Participation in the Medicaid Program (refer to Section 1902(a)(41) of the Social Security Act, added by P.L. 96-272, Section 308(c), enacted on June 17, 1980, effective June 17, 1980)

AT-80-77 Title XIX, Social Security Act: Reimbursement for Services Furnished by Rural Health Clinics (refer to 42 CFR Parts 405 and 447)

AT-80-78 Title XIX, Social Security Act: Policy Relating to Orthodontic Services Under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program (refer to 42 CFR 441.56)

AT-80-79 Title XIX, Social Security Act, Section 1903(g): Utilization Control (UC) Validation Survey for the Quarter Ending September 30, 1980, in 10 Selected States; Intermediate Care Facilities (ICFs). These States are Connecticut, Hawaii, Illinois, Kansas, New Jersey, North Carolina, Oklahoma, Utah, Washington, and West Virginia (refer to Sections 1903(g)(1)(A) and (B) and 1903(g)(2) of the Social Security Act; 42 CFR 456.360, 456.380, and 456.381)

INFORMATION MEMORANDUMS

The following Information Memorandums recently issued by HCFA are also available to States by calling 301-594-5519.

IM-80-22 Model Memorandum of Understanding Between End-Stage Renal Disease Medical Review Boards and Professional Standards Review Organizations

IM-80-23 Implementation of Medicaid Cost Report Evaluation Program (CREP)

IM-80-24 Preparation for the Onset of EPSDT Quality Control Review

Continued on page 12

BROCHURES ON FREE HOSPITAL CARE

New brochures on Free Hospital Care and New Regulation for a 1946 Law are now available.

The Free Hospital Care brochure was written for consumers and directed to people with poverty level incomes. The brochure explains the free or low cost care many hospitals are obligated to provide for eligible persons. Copies will be sent to community organizations and newspapers. Another name for free hospital care is the Hill/Burton program.

The brochure New Regulation for a 1946 Law clarifies the law and new regulation hospitals with free care programs must follow.

The brochures may be ordered from:

Department of Health and Human Services
Public Health Services
Health Resources Administration
Bureau of Health Facilities
Information Office, Room 5-22
Center Building
3700 East-West Highway
Hyattsville, Maryland 20782

Information Memorandums - continued

IM-80-25 Acceptable State Documentation Regarding EPSDT Informing and Services

IM-80-26 EPSDT Sampling

IM-80-27 Improving Consistency, Accuracy and Comparability of Diagnosis and Procedure Labeling Systems

IM-80-28 Third Party Liability Multi State Workshop

IM-80-29 List of Single State Agency Directors and Medical Assistance Unit Directors

IM-80-30 EPSDT Quality Control Requirements for Cases Where the AFDC Payment has been Held or Suspended

IM-80-31 Preparation for the Onset of EPSDT Quality Control Reviews -- ACTION

IM-80-32 EPSDT Quality Control Reviews of Recipients Due for Rescreening When the Period Ends at Age 21

IM-80-33 State Medicaid Directors' Mid-Year Conference

IM-80-34 Third Party Liability (TPL) Workshops

IM-80-35 Implementation of the Common Claim Form, HCFA-1500

REFERENCE GUIDE ISSUED ON EMPLOYING HANDICAPPED PERSONS

A new reference guide, Affirmative Action for the Handicapped, has been issued by the Labor Department discussing how the worksite and the employment process can better accommodate handicapped persons. The guide is intended for Federal contractors and others in accommodating disabled persons.

Copies of the guide may be obtained by sending a check or money order for $4.75 to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The stock number (029-016-00062-3) should be stated in the order.

BENEFICIARY SERVICES UPDATE

The Medigap Training Coordinators' Conference was held October 7-8, 1980. Coordinators from each HCFA regional office reported on experience gained while conducting Medigap training sessions in all but two of the 50 States. Beginning in May 1980, with training materials provided by the Office of Beneficiary Services, the regional office coordinators exceeded their aggregate national goal by over 100%. By September 1980 they had conducted a total of 110 training sessions with nearly 5,000 attendees. Many of those trained, including representatives from legal aid offices, senior citizen organizations and volunteer groups, have already requested training materials in order to conduct "spin-off" training sessions.

Administrator Howard Newman attended the second day of the conference to personally congratulate the regional office coordinators. Each will receive a Certificate of Appreciation.

Details regarding Office of Beneficiary Services activities can be obtained from Barney Sellers, Director, 301-594-8131, FTS 8-934-8131.

MMIS SPR TRAINING WORKSHOP

The first MMIS Systems Performance Review Training Workshop took place in Baltimore, October 7-9, 1980, for HCFA regional offices on the east coast. A west coast workshop was held in San Francisco, October 21-23, 1980. The workshops provide a forum for airing distinctive techniques which could facilitate application of the Systems Performance Review (SPR) package. From these discussions a common approach to the various SPR tasks will be developed.

Invitations were sent to Regional Administrators, Regional Medicaid Directors, Bureau and Office Directors in the central office, and any regional personnel responsible for reviewing certified State MMIS Systems. In addition, regions were urged to send program specialists to complement the expertise of systems staff.

The SPR package was developed in response to a growing concern for the effectiveness of individual State MMIS operations. HCFA now intends to perform periodic reviews of certified MMIS systems to verify a State's level of performance. States with a level of performance failing to meet established standards will be subject to a reduction of special 75% Federal matching funds for MMIS operations. The final standards package included suggestions from the regional office workgroup, the Systems Technical Advisory Group (S-TAG), and central office personnel.

SUR WORKSHOP

A national SUR workshop was held in Denver, Colorado September 23-26, 1980. Colorado's Surveillance/ Utilization Review Unit and the Division of Medical Assistance sponsored the workshop, in conjunction with the Medicaid/Medicare Management Institute.

The plenary session covered the various SUR systems: Bradford, Basic, SURS II, Advance SURS, Computer Science Corporation (CSC) Advance SURS, and Retrospective Analysis of Medical Services (RAMS) I and II. Four workshops were held. The first discussed the evolution of the SUR unit. The second addressed peer review (independent), recipient review, lock-in, interactions with Medicaid Fraud Control Unit and other investigatory units. Logical progression, summary profile, identification for an onsite review, sanctions, confidentiality, referrals, documentation, sampling, recoupment, provider relations, personnel needs and travel budget were discussed during the third session. Weighting and ranking, capture of Medicare crossover data by the SUR system, Administrative Procedures Acts, promulgation of regulations, and imposition of sanctions under existing regulations were also discussed. Several representatives from HCFA's central office described assistance the Federal government offers State agencies.

The workshop proved an excellent medium for formal and informal communication. Attendees were from Federal central and regional offices, State agencies, and contractor firms.

SUR ANALYSIS

The SUR experience of Virginia and Minnesota is the focus of "The Philosophy and Practices of Effective Medicaid Surveillance and Utilization Review (SUR) Units", an article published in September's issue of Management Applications. This article was prepared by Pracon, Incorporated under a grant from Hoffman-La Roche.

The article compares key Medicaid SUR 1979 statistics of these States. It also discusses the use of Medicaid Management Information Systems data produced for program surveillance and utilization review purposes. Organizational charts of Virginia's SUR Section and Medical Assistance Program, and Minnesota's SUR Division and Department of Public Welfare are included.

Virginia's SUR experience is described in detail; priorities and strategy, development of a Medicaid abuse and fraud case, evaluations of SUR I technology, and the use of SUR data as a management tool are discussed.

Continued on page 15

A SURVEILLANCE AND UTILIZATION REVIEW SUBSYSTEM (SURS)

PERSPECTIVE FOR THE EIGHTIES

The SURS Perspective document has been submitted to the Systems Technical Advisory Group (STAG) for review. The STAG review follows completion of the final draft by the SUR Advisory Panel in Denver, Colorado on September 24, 1980. Preliminary comments from STAG indicate general acceptance of the document as the basis for developing an upgraded SURS General Systems Design (GSD) in the near future.

The Perspective presents a view of SURS from its early installation efforts through current systems activities and future directions. Information presented in the Perspective has been coordinated with requirements of the proposed MMIS System Performance Review package to facilitate the level of compatibility between review criteria and the planned GSD.

The Perspective envisions a new GSD which gives States greater flexibility in operating the system while placing increased emphasis on system controls and use of SUR data.

The document should be available to States through regional offices in late November. Contact: Pat Wright, 301-594-4943, FTS 8-934-4943.

SUR Analysis - continued

The organization of Minnesota's SUR Division is described along with their key for success, including quality improvements made through the use of SUR data and activities with other Medicaid units.

Requests for Volume Number 18 of Management Applications may be directed to Patrice Feinstein, Pracon, Incorporated, 10390 Democracy Lane, Fairfax, Viginia 22030, 703-691-0762. There is no cost for the publication; however, supply is limited.

COMMON CLAIM FORM

HCFA adopted a common claim form for services provided by physicians and suppliers. In January 1981, the HCFA-1500, Health Insurance Claim Form, will be mandated for Medicare Part B claims, as forms become available in each jurisdiction.

Instructions for procedures required for conversion to the new form have been issued to HCFA regional offices, Medicare carriers, and State Medicaid agencies in Regional Letters 80-4 and 80-7, Medicare Part B Intermediary Letters 80-11 and 80-30, and Medicaid Information Memorandums 80-17 and 80-35.

In many States negotiations for local production and distribution of the form by various users are well advanced or completed. Acceptance of the common form by a variety of third party payors is expected to become quite general across the country in 1981. Contact: Dan Baker, 301-594-1999, FTS 8-934-1999.

CMS LIBRARY
3 8095 00016738 3

IHS HOSPITALS GET MEDICARE/MEDICAID REFRESHER TRAINING

In a successful interagency effort, Region VIII Medicare staff and South Dakota Medicaid staff assisted the Aberdeen, South Dakota Area Office of the Indian Health Service (IHS) in conducting a two day refresher course on Medicare and Medicaid billing procedures. Representatives from nine of eleven IHS hospitals in South Dakota, North Dakota, Minnesota, and Nebraska met May 27-28 to review and discuss admission and billing procedures, Medicare manual and policy letters, and their role in the direct reimbursement process. Participants included one service unit director, two administrative officers, and one to two medical record clerks from each IHS facility. The agenda covered roles of and interactions between various HCFA components; SSA's role; Medicare and Medicaid entitlement, benefits, payment, and public information materials; direct reimbursement policy, procedures, and management reports; problem resolution; and suggestions for training and record-keeping.

In 1977, Region VIII hosted initial training for staff from both the Area Office and hospitals; the need for the current training was based on several factors. The Area Office requested Medicare staff involvement in training bill clerks in the four States under its jurisdiction; an Area Office employee, directly responsible for assisting the hospitals in their daily operations, had not received training; some clerks had insufficient access to Medicare information and materials; for three years most medical record clerks had been handling billing in addition to their regular duties; some clerks had little incentive to carry out Medicare billing because they felt overwhelmed by, and did not know how to use, the Hospital Manual and policy letters; and clerks had poor understanding of how to bill under Part B and how to meet patient signature requirements on Medicare claim forms.

Since the training, IHS hospitals have reported positive results: 1) two hospitals have significantly increased their number of billings; 2) one has now begun to submit inpatient billings; and 3) some clerks were then able to submit bills for services rendered in their facilities over the last year.

In addition to the interagency training, Area Office staff recently followed up with two onsite training sessions for new hospital clerks focusing in these sessions on maintenance and use of Medicare and Medicaid policies and procedures, and interpreting program guidelines.

Department of Health and Human Services
Patricia Roberts Harris, Secretary

Health Care Financing Administration
Howard N. Newman, Administrator

Bureau of Program Operations
Paul R. Willging, Acting Director

Medicaid/Medicare Management Institute
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